

PLACER COUNTY ASSESSMENT APPEALS BOARD

LOCAL RULES OF PROCEDURE

(Effective January 1, 2006)

1. DEFINITIONS

These Local Rules of Procedure are adopted pursuant to Section 16 of Article XIII of the California Constitution. The definitions set forth in this section shall govern the construction of the terms as used in these Local Rules.

A. "Applicant" is a person who files an application for a reduction in assessment pursuant to Local Rule 4.

B. "Assessor" is the Assessor of the County.

C. "Auditor" is the Auditor of the County

D. "Base Year" is the 1975-1976 assessment year, or thereafter any assessment year in which real property or a portion thereof, is purchased, newly constructed or changes ownership.

E. "Board" is the Assessment Appeals Board of the County as established by the Board of Supervisors pursuant to Ordinance No. 4529-B, adopted on August 17, 1993, as amended from time-to-time

F. "Board Counsel" is the legal advisor to the Board.

G. "Chair" is the Chair of the Board.

H. "Clerk" is the Clerk of the Board. The Clerk is responsible for maintaining the records of the Board and hearings.

I. "County" is the County of Placer.

J. "County Legal Advisor" is the County Counsel.

K. "Decline in Value" concept means the current Full Cash Value of real property (as of the lien date) is less than the base year value trended.

L. "Full Cash Value" of real property is the full cash value as of: (a) the lien date March 1, 1975, for properties with a 1975-76 base year, or (b) after the 1975 lien date, the date real property is purchased, is newly constructed or changes ownership, or (c) the current year lien date, or (d) as otherwise provided by a valuation standard prescribed by the Constitution or statute.

M. "Full Market Value" or "Full Value" is synonymous with "Full Cash Value".

N. "Inflation Factor" is the rate determined by the State Board of Equalization and is based upon the cost of living index, but not to exceed 2%, added annually at the lien date of real property, beginning the first year after the appropriate base year is established.

O. "Party" is an Applicant or the Assessor, as the case may be.

P. "Person Affected" is one who has a direct economic interest in the payment of property taxes on the property that is the subject of the County equalization proceedings.

Q. "Taxable Value" of real property on the assessment roll is the lesser of (a) the base year "full cash value" modified by the inflation factor; or (b) the "full cash value" as of the current year lien date.

2. FUNCTIONS AND JURISDICTION

The functions of the Board are:

A. To determine the taxable value of each property for which an application for equalization is made and by reducing or increasing the individual assessment on the local assessment role;

B. To determine whether or not property has been subject to change of ownership and to hear and decide issues with respect to penalties, pursuant to Section 1605.5 of the Revenue and Taxation Code;

C. To review, equalize, and adjust penal escaped assessments on the assessment roll except escaped assessments made pursuant to Revenue and Taxation Code Section 531.1 where an exemption was improperly granted;

D. To exercise the powers specified in Section 1613 of the Revenue and Taxation Code;

E. To determine its own jurisdiction in accordance with applicable law.

The Board acts in a quasi-judicial capacity and may act only on the basis of relevant evidence presented at a hearing. The Board has no jurisdiction to grant or deny exemptions or to consider allegations that claims for exemption from property taxes have been improperly denied. The Board has no legislative power.

3. LOCATION OF LOCAL ROLL FOR INSPECTION

The local roll or copy thereof shall be made available for inspection by all interested parties during regular office hours of the Assessor.

4. APPLICATION

No reduction in an assessment sought by a Person Affected shall be made unless the following application procedure is followed:

A. **WHO MAY FILE**—The application shall be made by the Person Affected or the person's agent. If the application is made by an agent other than an attorney licensed to practice in this state who has been authorized by the person affected to file the application, or a relative mentioned in Rule 20, written authorization to so act must be properly provided. If the Applicant is a corporation, an officer must sign the application. No application shall be accepted for filing nor heard by the Board unless the Applicant has an ownership interest in the property or is a Person Affected.

B. **SIGNATURE AND VERIFICATION**—The application shall be in writing and signed by the Applicant, or the Applicant's agent, with declaration under penalty of perjury that the statements made in the application are true. If the application is executed outside the State of California, it shall be sworn to before a notary public or other person authorized to administer oaths. An original signature must appear on the application.

C. **FORMS AND CONTENT**—The County shall provide forms on which applications are to be made free of charge. The application forms shall be in a form prescribed by the State Board of Equalization. The application shall show:

1. The name and address of the Applicant;
2. The name and address of the Applicant's agent, if any;
3. A description of the property that is the subject of the application sufficient to identify it on the assessment roll, and its street address or other description sufficient to identify its physical location;
4. The Applicant's reasonable opinion of the Full Cash Value; and
5. The facts relied upon in support of the claim or a reduction in assessed value or classification. The amount of tax, the amount of a tax increase, or the amount of an assessed value increase shall not constitute facts sufficient to warrant reduction in assessed values.

An application that does not show the foregoing items shall be deemed invalid and shall not be acted upon by the Board. The Clerk shall review each application for completeness and shall give prompt notice that an application is invalid.

D. **TIME FOR FILING**—The application shall be filed with the Clerk. An application for a reduction of an assessment shall be made in accordance with Revenue and Taxation Code Sections 1603 and 1605, and other applicable provisions of statute. The Board has

no jurisdiction to hear an application unless filed within the time specified, except as provided in Revenue and Taxation Code Sections 619.2, 620 or 1603.

E. AMENDMENTS—No application may be amended after 5:00 p.m. on the last day upon which it might have been filed if the effect of the amendment is to request relief additional to or different in nature from that originally requested.

5. BASE YEAR VALUE PRESUMPTION

A. The Full Value determined for real property which is purchased, newly constructed, or changed ownership after the 1975 lien date, shall be conclusively presumed to be the Base Year value, unless an application for equalization is filed during the equalization period for the year in which the assessment is placed on the assessment roll, or is filed during the equalization period in any of the three succeeding years.

B. Once an application is filed, the Base Year value determined by the Board shall be conclusively presumed to be the Base Year value. Any reduction in assessment made as the result of an appeal under this section shall apply for the assessment year in which the appeal is taken and prospectively thereafter.

C. A Board decision based on a decline in value that the current fair market value is less than the trended base year value on the roll, will not establish a conclusive presumption.

6. APPLICATION INFORMATION TO THE ASSESSOR

The Clerk shall transmit to the Assessor all pertinent data included in each application for a reduction in an assessment. A reasonable time shall be allowed before a hearing is scheduled to allow the Assessor to obtain information relative to the property and the assessment thereof.

7. NOTICE OF HEARING

A. After the filing of an application for a reduction of an assessment, the Clerk shall set the matter for hearing and notify the Applicant or the agent in writing by personal delivery or by depositing the notice in the United States Mail directed to the address given in the application. The notice shall designate the time and place of the hearing. A copy of these Local Rules may be sent with such notice.

The notice shall include a statement that the Board is required to find the taxable value of the property from the evidence presented at the hearing and that this finding may exceed the taxable value on which the assessment was based, with the result that the assessment will be raised rather than lowered. The notice may include a statement that an application for a reduction in the assessment of a portion of an improved real property (e.g., land only or improvement only) or a portion of installations which are partly real property and partly personal property (e.g., only the improvement portion or only the personal property portion of machinery and equipment) may result in an increase in the

unprotected assessment of the other portion or portions of the property, which increase will off set, in whole or in part, any reduction in the protested assessment. If the general notice does not include the latter statement, such a statement shall be included in notices in those cases to which the clerk deems it relevant.

B. The notice shall be given no less than forty-five (45) days prior to the hearing unless the Assessor and the Applicant or the Applicant's agent stipulates to a shorter notice. The notice shall include a statement informing the Applicant that the Applicant or the Applicant's agent must respond in writing within fifteen (15) days of the date of the notice as to whether the Applicant and/or the Applicant's agent will or will not be attending the hearing. Absent good cause, a failure to respond in a timely manner shall be deemed a voluntary withdrawal of the application by the Board. The notice shall also include a statement informing the Applicant that a failure to appear at the hearing shall be grounds for summary denial of the application. The denial of an application for failure to respond to the notice of hearing or to appear may be reconsidered in accordance with Local Rule 27(C).

If the hearing is vacated for any reason, at least ten (10) days notice will be given for the rescheduled hearing.

C. The Clerk shall notify the Assessor of the time and place of the hearing.

D. It is the policy of the Board that hearings shall be held in a timely fashion and that, generally, a notice of hearing should be issued within twelve (12) months of receipt of an application.

8. PRE-HEARING CONFERENCE

A. The Chair of the Board shall be notified by the Clerk of any application involving change in taxable value of Five Million Dollars (\$5,000,000) or more, or any application involving complex legal issues. At the discretion of the Chair, or upon the written request of any Party to the Chair, the Chair may order a pre-hearing conference. The pre-hearing conference is not in lieu of, but is in addition to, all other procedures. The Chair may decline to order a pre-hearing conference if, in the Chair's opinion, a pre-hearing conference is not necessary or unlikely to assist the Board with resolution of the application.

B. All Parties will be given at least thirty (30) days written notice of the pre-hearing conference (unless such notice is waived by all of the Parties). No pre-hearing conference shall be held less than thirty (30) days prior to the date that the application is scheduled to be heard.

C. Each Party, in person or represented by an agent, shall attend the pre-hearing conference and shall be prepared to discuss the issues and make appropriate stipulations. The Parties are expected to communicate with each other in advance of the pre-hearing conference in order to facilitate this process.

D. At least ten (10) days prior to the pre-hearing conference, the parties shall exchange and shall provide to the Board Counsel a brief joint statement or brief separate written statements at the pre-hearing conference setting forth:

1. The nature of the appeal;
2. Contentions of each Party as to the factual and legal matters to be presented to the Board for resolution;
3. Factual and legal matters to which the Parties have stipulated and which may be admitted without proof, including evidence that may be received without objection.

E. The pre-hearing conference shall be conducted by the Board Counsel.

F. At the pre-hearing conference, the Board Counsel will discuss with the Parties, without adjudicating controverted facts, those issues set forth in subsection (D) above, and the following:

1. Desirability of a formal exchange of information as provided in Revenue and Taxation Code Section 1606.
2. Time estimates for the hearing, the order of the hearing and the date and time thereof.
3. Such other matters as may aid in the disposition of the case.

G. If any Party wishes to have any matter decided by the Board prior to the admission of valuation evidence at the hearing, the Party shall identify any such non-valuation matters at the pre-hearing conference.

H. At the conclusion of the pre-hearing conference the Board Counsel shall summarize the positions taken by the parties, and shall provide the summary to the Board at the hearing. The Parties shall present their cases in accordance with the positions presented at the pre-hearing conference and any agreements arising there from.

I. The Board may permit the introduction of evidence at the Board hearing not discussed at the pre-hearing conference; provided, however, if new evidence is permitted, the other parties shall be entitled, upon their request, to a continuance.

9. EXCHANGE OF INFORMATION

A. At the time of filing the application or at any time prior to thirty (30) days before the hearing on the application, the Applicant or the Assessor may initiate an exchange of information with the other Party. The request shall be submitted to the other Party, with a copy to the Clerk. The request shall contain the basis of the requesting Party's opinion of value and the following data:

1. **COMPARABLE SALES DATA**—If the opinion of value is to be supported with evidence of comparable sales, the properties sold shall be described by the assessor's parcel number, street address or legal description sufficient to identify them. With regard to each property sold there shall be presented: A description of the property, including the age and area of the improvement, and the land area; the approximate date of the sale, not to exceed ninety (90) days after the date of valuation; the price paid; the term of sale, if known; and the zoning of the property.

2. **INCOME DATA**—If the opinion of value is to be supported with evidence based on an income study, there shall be presented: the gross income, the expenses, and the capitalization method and rate or rates employed.

3. **COST DATA**—If the opinion of value is to be supported with evidence of replacement cost, there shall be presented:

- a. With regard to improvements to real property; the date of construction, type of construction, and replacement cost of construction.
- b. With regard to machinery and equipment; the date of installation, installed cost, and any history of extraordinary use.
- c. With regard to both improvements and machinery and equipment; facts relating to depreciation, including any functional or economic obsolescence, and remaining economic life.

The Assessor may only file a request for an exchange of information under the requirements of this subdivision A in those cases where the assessed value of the property involved exceeds one hundred thousand dollars (\$100,000).

B. If a Party has submitted the data required by subdivision A within the time specified, at least fifteen (15) days prior to the hearing, the other Party shall mail to the Party who caused the exchange of information, and to the Clerk, a writing which shall set forth the basis of the opinion of value and shall contain the same type of data as provided in subdivision A in support of that opinion.

C. Whenever information has been exchanged pursuant to this section, the Parties may introduce evidence only on matters so exchanged unless the other Party consents to introduction of other evidence. However, at the hearing, each Party may introduce new material relating to the information received from the other Party. If a Party introduces such new material at the hearing, the other Party, upon request, shall be granted a continuance for a reasonable period of time.

10. REQUEST FOR FINDINGS

In the form provided for making application pursuant to these Local Rules, there shall be a notice that written findings of fact of the hearing will be available upon written request at the requester's expense, and upon submission of a deposit by requester. If written findings are not requested prior to the hearing, or if the required deposit is not timely submitted, the right to such written findings shall be deemed to have been waived.

The requesting Party may abandon the request and waive findings at the conclusion of the hearing. If the requesting Party abandons the request at this time, the other Party or Parties may orally or in writing renew the request. The Board of Supervisors shall establish the fee for preparation of findings of fact.

11. HEARINGS

The Board shall meet as necessary to equalize assessments on the local tax assessment roll, and shall continue in session for that purpose from time to time until the business of equalization is disposed of. All hearings before the Board shall be open and conducted in the manner provided in these Local Rules.

12. SELECTION OF BOARD CHAIR

The Board shall select one or more of its members to act as Chair from time-to-time and preside over hearings. This function may be rotated among Board members. The Chair shall exercise such control over the hearings as is reasonable and necessary and shall make all rulings regarding procedural matters and regarding the admission or exclusion of evidence. The Chair may consult with the Board Counsel at any time.

13. QUORUMS; VOTE REQUIRED

No hearing before the Board shall be held unless a quorum consisting of a majority of the Board is present. Except as is provided in Local Rule 12 for rulings by the Chair, no determination or order shall be made by the Board by less than a majority vote of the members of the Board present at the hearing.

14. PROCEEDINGS RECORDED

All proceedings of the Board shall be recorded or reported.

15. HEARING BRIEFS; EXHIBITS

In its notice of hearing, the Chair may require both Parties to submit a written summary of issues ten (10) days prior to the hearing. Exhibits, maps, letters, papers, documents, charts, etc., to be submitted by any Party at the hearing shall not be delivered to individual members of the Board prior to their being received into evidence at the hearing.

16. EVIDENCE; ORDER OF PRESENTATION

Hearings on applications shall proceed as follows:

A. The hearings shall be open and public except that the Board may deliberate in private in reaching a decision on a contested issue. An Applicant may request the Board to close to the public a portion of the hearing by declaring under penalty of perjury that evidence is to be presented which relates to trade secrets the disclosure of which will be detrimental to the business interests of the owner of the trade secrets. If the Board grants the request, only evidence relating to the trade secrets may be presented during the time the hearing is closed.

B. The Clerk shall announce the name of the Applicant. The Chair shall then determine if the Applicant or the Applicant's agent is present. If neither is present, the Chair shall ascertain whether the notice required by Local Rule 7 was given to the Applicant or the Applicant's agent. If the notice has been given and neither the Applicant nor the agent is present, the application shall be denied, except for those matters before the Board pursuant to Local Rule 18(A).

If notice has not been given, the hearing shall be postponed to a later date and the Clerk directed to give proper notice thereof to the Applicant.

C. The Clerk shall then announce the nature of the application and shall swear in any witnesses.

D. The Chair shall then ascertain the Assessor's recommendations, if any, with regard to the application.

E. The Chair shall require the Applicant to present his or her case to the Board first, with the following exceptions, wherein the Assessor has the burden of proof and is required to go first:

1. Owner-occupied single-family residence, unless the owner has not supplied the Assessor with all information required by law;
2. Escape assessments except where a taxpayer has failed to file a change in ownership statement, business property statement or a permit for new construction or has not supplied the Assessor with all other information required by law;
3. The penalty portion of the assessment;
4. Change of ownership where the Assessor is challenging the transfer price, unless the owner has not supplied the Assessor with all information required by law.

F. All testimony shall be taken under oath or affirmation.

G. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs. Failure to enter timely objection to evidence constitutes a waiver of the objection. The Board may act only upon the basis of evidence properly admitted into the record at the hearing. Guidelines for the admissibility of evidence are attached hereto as Exhibit A. A full and fair hearing shall be accorded the Parties. There shall be reasonable opportunity for the presentation of evidence, for the cross-examination of all witnesses and for argument.

H. If the Assessor requests that the Board increase the assessed value and proposes to introduce evidence to support a higher assessed value than was placed on the roll, the Assessor shall, at least ten (10) days prior to the hearing, give notice in writing to the Applicant or the Applicant's agent of the higher assessed value and the evidence proposed to be introduced. The Assessor may thereafter introduce such evidence at the hearing. The notice may be given to the Applicant or the Applicant's agent by personal delivery or by depositing the notice in the United States mail directed to the address given in the application. The Assessor shall send a copy of this notice to the Clerk.

I. An application may be withdrawn at any time prior to or at the time of the hearing upon written request signed by the Applicant or the Applicant's agent, unless a written notice from the Assessor of the intention to recommend an increase in the appraised or assessed value of the property has been given to the applicant at least ten (10) days prior to the hearing and a copy of such notice has been filed by the Assessor with the Clerk of the Board. Thereafter, the Applicant and the Assessor may only effect a withdrawal of the application upon written stipulation.

17. LEGAL COUNSEL

Any Party may be represented by legal counsel at any point in the proceedings.

18. EXAMINATION OF APPLICANT BY BOARD

No reduction of an assessment shall be made unless the Board examines, on oath, the Applicant or the Applicant's agent as to the value of the property, and the Applicant or Agent attends (as provided in Local Rules 19 through 22) and answers all questions pertinent to the inquiry; provided that:

A. In the event there is filed with the Board a written stipulation, signed by the Assessor and County Legal Advisor on behalf of the County and Person Affected or the Agent making the application, as to the Full Cash Value and assessed value of the property, which stipulation sets forth the facts upon which the reduction in value is premised, the Board may, at a public hearing:

1. Accept the stipulation, and waive the appearance of the Person Affected or Agent, or

2. Reject the stipulation and set or reset the application for hearing.

B. The Board may in its discretion, waive the examination of the Applicant or the Applicant's agent if the Board and the Assessor are satisfied that the issues raised by the application and the facts pertaining thereto have been fully considered by the Board in previous years or fully presented in the application, and if the Applicant or the Applicant's agent request such waiver in the application. The Board shall consult with the Assessor and shall act promptly on any request for waiver and give written notice of its decision. If the Board waives the examination of the Applicant or Applicant's agent, the Board shall decide the case on the merits of the application.

19. PERSONAL APPEARANCE BY APPLICANT; APPEARANCE BY AGENT

The Applicant must appear personally at the hearing, except as otherwise provided in these Local Rules, or be represented by an authorized Agent, attorney, corporate officer or employee, co-owner, or family member mentioned in Local Rule 22, who shall be thoroughly familiar with the facts pertaining to the matter before the Board.

If the Applicant filed the application, any person (other than an attorney, corporate officer or employee, co-owner, or family member mentioned in Local Rule 22) who appears at the hearing shall first file with the Clerk the Applicant's written authorization for that person to represent the Applicant at the hearing. If a person other than the Applicant filed the application, the written authorization signed by the Applicant shall also indicate the Applicant's consent to the change in representation.

The Applicant may have an agent appear with him or her and participate at the hearing.

20. PROPERTY IN COMMON OWNERSHIP

If the property is held in joint or common ownership or in co-ownership, the presence of the Applicant or any one of the owners shall constitute a sufficient appearance.

21. APPEARANCE BY CORPORATION

The corporation shall make an appearance by the presence of an attorney or of any duly authorized officer, or of any employee who is knowledgeable on the matters before the Board.

22. APPEARANCE BY A MEMBER OF FAMILY

A husband may appear for his wife, or a wife for her husband, and sons or daughters for parents or vice versa.

23. BURDEN OF PROOF

A. The law presumes that the Assessor has properly performed his duty and has assessed all properties fairly and upon an equal basis. The effect of this presumption, except as otherwise provided by law, is to impose upon the Applicant the burden of proving that the property in question has not been correctly assessed. The law requires that the Applicant present independent evidence relevant to the Full Cash Value of the property. The Assessor has the burden of establishing the basis for imposition of a penalty assessment.

B. In any hearing involving the assessment of an owner-occupied single-family dwelling, there is a rebuttable presumption affecting the burden of proof in favor of the taxpayer or the assessee who has supplied all information to the Assessor as required by law and the Assessor has the duty of rebutting the presumption by the submission of evidence supporting the assessment.

C. In the appeal of an escape assessment the burden of proof falls on the Assessor, except where a taxpayer has failed to file a change in ownership statement, business property statement or permit for new construction or has not supplied the assessor with all other information required by law.

D. In the case of a change in ownership it shall be rebuttably presumed that the purchase price is the Full Cash Value of the property. The party challenging the presumption assumes the burden of proof.

24. SUBPOENAS

At the request of a Party, the Board shall issue subpoenas for the attendance of witnesses at the hearing. The Board may issue a subpoena on its own motion. If a subpoena is issued at the request of a Party, that Party is responsible for serving it and the payment of witness fees and mileage. An application for a subpoena for the production of books, records, maps, and documents shall be supported by an affidavit such as is prescribed by Code of Civil Procedure Section 1985. No subpoena to take a deposition shall be issued nor shall depositions be considered for any purpose by the board. The Board may delegate to the Clerk the authority to issue subpoenas.

25. POSTPONEMENTS AND CONTINUANCES

A. The Applicant and/or the Assessor shall be entitled to one postponement as provided in State Board Rule 323. Provided the request for postponement is made in accordance with the provisions of State Board Rule 323, the Clerk shall grant the postponement and shall notice the hearing for a later date.

B. In addition to any postponement to which the Applicant or the Assessor may be entitled to as a matter of right under subsection (a) of State Board Rule 323, the Clerk may, with the approval of the Chair, continue a hearing to a later date upon a showing of

good cause by the party requesting the continuance. Requests by the Assessor or by the Applicant for a continuance shall be filed in writing with the Clerk no less than fourteen (14) calendar days prior to the scheduled hearing and shall be served upon the other Party. If the hearing is continued, the Clerk shall inform the Parties of the time and place of such further hearing and shall require a waiver of the two-year period specified in Revenue and Taxation Code section 1604.

C. In addition to any continuance to which the Assessor may be entitled to as a matter of right under subsection (h) of Revenue and Taxation Code section 441, at the hearing the Board may, for good cause and upon request of either party or upon its own motion, grant a continuance to a later date.

26. DECISION

A. Acting upon the evidence properly before it, the Board shall determine the Full Cash Value of the property, including both real and personal property, which is the subject of the hearing, and apply the inflation factor if applicable. The determination of the Full Cash Value shall be supported by a preponderance of the evidence presented during the hearing. No greater relief may be granted than is justified by the evidence produced. A motion and order to deny an application or any portion thereof shall be deemed to be a determination or finding that:

1. The Full Cash Value of the property, the subject of the application or part thereof, is as determined by the Assessor, the ratio of assessed value to fair market value or full cash value of property in Placer County is 100% and further that the assessed value of said property shall remain as set forth on the assessment roll; or in the alternative and when so specified that:

2. The Applicant has not met the burden of proof by establishing prima facie case for the reduction in assessed value.

B. The Board's authority to determine the Full Cash Value of property, while limited by the laws of the State and the laws of the United States and usually exercised in response to an application for equalization, is not predicted on the filing of an application nor limited by the Applicant's request for relief.

When an application for review includes only a portion of an appraisal unit, whether real property, personal property, or both, the Board may nevertheless determine the taxable value of other portions that have undergone a change in ownership, new construction or a decrease in value. Additionally, the Board shall, on its own motion or at the Assessor's request, determine the market value of the entire appraisal unit whenever that is necessary to the determination of the market value of any portion thereof.

C. The Board shall be bound by the same principles of valuation that are legally applicable to the Assessor.

D. When valuing a property by a comparison with sales of other properties, the Board may consider those sales which, in its judgment, involve properties similar in size, quality, age, condition, utility, amenities, site location, legally permitted use, or other physical attributes to the property being valued. When valuing property for purposes of either the regular roll or the supplemental roll, the Board shall not consider a sale if it occurred more than ninety (90) days after the date for which value is being estimated. The Board shall presume that zoning or other legal restrictions, of the types described in Revenue and Taxation Code Section 402.1, on the use of either the property sold or the property being valued will not be removed or substantially modified in the predictable future unless sufficient grounds as set forth in that section are presented to the Board to overcome that presumption.

E. When written findings of fact are made, they shall fairly disclose the Board's findings on all material points raised in the application and at the hearing. The findings shall also include a statement of the method or methods of valuation used in determining the Full Cash Value of the property. The Chair may request the parties submit proposed findings for consideration by the Board.

27. NOTICE OF DECISION--RECONSIDERATION

A. The Board may announce its decision to the parties at the conclusion of the hearing, or it may take the matter under submission. If the matter is taken under submission, the Clerk shall notify the Applicant in writing of the decision of the Board by United States Mail addressed to the Applicant or to the Applicant's agent at the address given in the application. Where written findings of fact are requested, the Board shall take the matter under submission and prepare the findings in a timely fashion. Upon completion of the findings, the Board shall make its decision and the Clerk shall notify the Parties as above.

B. The decision of the Board is final and may not be appealed to the Board of Supervisors.

C. The denial of an application for failure to respond to the notice of hearing or for lack of appearance pursuant to Local Rule 7(C) is not a decision on the merits and may be reconsidered pursuant to this subsection (C). Pursuant to State Board Rule 313, this Local Rule has been adopted as a procedure that authorizes reconsideration of the denial of an application for lack of appearance where the Applicant furnishes evidence of good cause for their failure to respond, appear or to make a timely request for continuance. In order to obtain a hearing for reconsideration, the Applicant must file a written request with the Clerk no later than sixty (60) days from the date of mailing of the notification of denial setting forth the specific facts showing good cause. The Clerk shall set the request for hearing at the next available date.

28. EFFECTIVE DATE

These Local Rules of Procedure are made effective and shall apply to all hearings of the Board commencing on or after January 1, 2006.

EXHIBIT A

GUIDELINES FOR ADMISSIBILITY OF EVIDENCE

1. REAL PROPERTY.

Evidence with respect to the following is generally admissible as to real property:

1.1 Condition of the subject property including:

1.1.1 Physical condition of the land including (i) size and shape, (ii) nature of the terrain (hilly, flat, etc.), (iii) soil condition, and (iv) view.

1.1.2 Improvements on the property including (i) size, (ii) utility for intended purpose, and (iii) condition (well maintained or obsolete or run down).

1.1.3 Zoning restrictions including the probability or improbability of changing the zoning classification of the property, e.g., the probability or improbability of changing property from residential zone to commercial zone.

1.1.4 Easements that are a burden on and affect the value of the property.

1.1.5 Deed restrictions, which restrict the use of the property.

1.1.6 Utilities and facilities available to the property including (i) water, (ii) sewer, (iii) gas, (iv) telephone, (v) schools, (vi) road access, and (vii) public transportation, etc.

1.1.7 Maps and photographs of subject property and vicinity and of comparable sales.

1.2 Sales (purchase) price of subject property if it was sold (purchased) within a reasonable time prior to or after date of valuation.

1.3 Improvements on subject property including:

1.3.1 Original cost if constructed or installed within a reasonable time prior to date of valuation.

1.3.2 Replacement cost.

1.3.3 Reproduction cost.

- 1.4 Offers to sell or purchase subject property made within a reasonable time prior to or after date of valuation.
- 1.5 Fire insurance. The amount of insurance on improvements on subject property.
- 1.6 Deeds of trust, mortgages, etc., on subject property.
- 1.7 Income from subject property:
 - 1.7.1 Gross income.
 - 1.7.2 Expenses of operation.
 - 1.7.3 Net income.
 - 1.7.4 Capitalization rate to be applied in computing value based on income.
 - 1.7.5 Leasehold information
- 1.8 Conditions in general vicinity of the subject property.
- 1.9 Sales of comparable property. To be comparable:
 - 1.9.1 The sale or contract of sale must be made sufficiently near in time to the valuation date but must not have been made more than 90 days after the lien date.
 - 1.9.2 The property must be located sufficiently near the subject property.
 - 1.9.3 The property must be sufficiently comparable to the subject property in respect to character, size, situation, usability, and improvements.
- 1.10 Verification of sales—business records. A memorandum or other written record of a sale is not made inadmissible by the hearsay rule when offered to prove the sale if:
 - 1.10.1 The writing was made in the regular course of a business (including a real estate business or any governmental activity);
 - 1.10.2 The person making the writing made it at or near the time he obtained the information concerning the sale;
 - 1.10.3 The custodian of the writing or other qualified witness testifies to its identity and the mode of its preparation; and

- 1.10.4 The sources of information and method and time of preparation of the writing were such as to indicate its trustworthiness.

2. POSSESSORY INTERESTS.

In general, evidence admissible with respect to real property as outlined above is admissible with respect to possessory interests, which are likewise real property. In addition, the following evidence is generally admissible:

- 2.1 Terms of the lease or agreement creating the possessory interest.
- 2.2 Length of lease or right of possession.
- 2.3 Restrictions imposed on the use of the property and other terms of the lease.
- 2.4 In valuing a possessory interest, the amount of rent paid or to be paid is not deducted in determining the value of the possessory interest. One method of valuation is to capitalize the rent paid to compute the value of the possessory interest.

3. PERSONAL PROPERTY.

The following types of evidence are generally admissible in valuing personal property such as machinery and equipment, inventories, household furnishings, etc.:

- 3.1 Condition of goods or equipment.
- 3.2 Cost (including transportation).
- 3.3 Improvements to goods or equipment.
- 3.4 Replacement or reproduction cost.
- 3.5 Obsolescence.
- 3.6 Sales price of similar goods.
- 3.7 Retail selling price of goods and cost or expense of selling.
- 3.8 Depreciation schedules

4. INADMISSIBLE EVIDENCE.

Evidence with respect to the following is generally not admissible in valuing property:

- 4.1 Assessed value of other property.
- 4.2 Increase in assessed value.
- 4.3 Taxes.
- 4.4 Opinion of value of other property.
- 4.5 Assessment Appeals Board decisions (1) with respect to the subject property in prior years, or (2) with respect to other property.

5. LIMITED ADMISSIBILITY.

The following types of evidence may be admitted under limited circumstances:

- 5.1 Sales to public agencies having power of eminent domain.
- 5.2 Offers to sell or purchase comparable properties including offers, listings, and options.